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Michelle Ballantyne MSP
Convener
Economy, Energy and Fair Work Committee
Scottish Parliament
Edinburgh
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Sent by email to economyenergyandfairwork@parliament.scot

11 March 2020

Dear Convener

HIGHLANDS AND ISLANDS ENTERPRISE

Thank you for your letter dated 11th February relating to the Economy, Energy and Fair Work Committee's inquiry and report on the impact of bank closures on local businesses, consumers and the Scottish economy. Highlands and Islands Enterprise (HIE) was pleased to contribute to this important inquiry and to share with the Committee the findings of HIE research on Access to Banking Services in Rural areas.

The Committee has asked HIE to provide an update on its report recommendation encouraging Scottish Enterprise and Highlands and Islands Enterprise, along with the banks, to work with businesses to help them adapt to digital/cash free operations.

HIE created DigitalBoost (Digital Engagement programme) in 2011 and delivered it regionally (alongside the Broadband roll-out) until it transferred to Business Gateway / COSLA in 2017. This programme was fully funded annually by the Scottish Government and was, and still is, a significant route to enable businesses to adapt to digital banking technology.

As you may be aware the DigitalBoost programme provides a range of digital training including digital events and 1:1 support to the wider business base, and HIE signposts to DigitalBoost if the client is not account managed by either Scottish Enterprise or Highlands and Islands Enterprise. The programme is focused on topics such as website improvement, data analytics, digital marketing and e-commerce and will cover online payments and security.

HIE also provides support to digital adoption which can be summarised as:

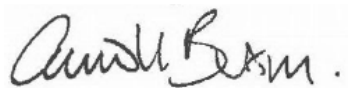
- 1-1 Digital specialist advice (up to 6-days) which can include digital banking and payment options but looks at digital opportunities much more broadly
- Delivery of frequent events on Cyber Security and Resilience which support adoption of digital technologies such as banking
- HIE's significant role in the roll out of superfast broad band which has created the infrastructure to allow people access to digital services

- Robust businesses diagnostic that works with account managed clients on digital adoption and productivity and optimisation of banking services will undoubtedly form part of these conversations

It is important that, as the economic development agency for our region, that we understand our businesses and our Business Panel Survey (undertaken three times a year) provides us with key intelligence and a temperature check of business confidence and help identify regional challenges and opportunities. Recent surveys indicate that our businesses see technology as an opportunity (72% of respondents) and over half are using new developments in technology to support their decision-making and are using new or different types of technology to increase innovation. We will continue to monitor technology use and adaptation in the future.

I trust this update will be helpful to the Committee.

Yours sincerely

A handwritten signature in black ink, appearing to read "Carroll Buxton". The signature is written in a cursive style with a period at the end.

Carroll Buxton
Interim Chief Executive